

Political Wars in Mideast — and U.S. — Snag Reagan Plan

By Joseph Fitchett

International Herald Tribune

WASHINGTON — U.S. policy in the Middle East, which aroused high hopes a year ago when President Ronald Reagan launched his peace initiative, is bogged down in Lebanon because of stalemates both in the Middle East and in Washington, according to U.S., Arab and Israeli sources.

The crisis in Lebanon demonstrates, they say, the intractable problems on the ground in trying to reconcile warring Middle East factions and also the limits on U.S. action because of conflicting views in Washington among rival bureaucratic factions.

For U.S. policy, the outlook is "more of the same, trying to patch things together in Lebanon," according to a U.S. official who works directly on the problem and thus refused to be identified.

An official said that the revival of the Reagan plan would require unprecedented political will in the White House. He added that Mideast risk-taking was unlikely in an election campaign period when politicians are very conscious of the ability of pro-Israeli groups to provide money and organizational support.

In Lebanon itself, the Reagan administration is militarily constrained by Pentagon reluctance and congressional objections to sending more U.S. troops. The diplomatic options are limited because U.S. policy-makers, after keeping Syria in the dark during a year of U.S. diplomacy, seem to be in the dark themselves now about how to deal with Syria.

Several officials said the White House would probably authorize U.S. marines to operate more boldly in Lebanon, joining the Lebanese Army in patrolling regions evacuated by Israeli troops.

But these changes are probably the maximum that President Reagan can order without causing an outcry in Congress.

The Pentagon opposes a combat role for U.S. troops, apparently because military leaders are leery

of a halfhearted political commitment, several U.S. officials said.

Ultimately, a durable settlement in Lebanon seems likely to require Syrian assent, but no U.S. policy-maker appears able to suggest how to obtain it. Yet the White House cannot walk away from Lebanon because the Reagan administration claims the Israeli-Lebanese accord as a foreign policy success.

This dogged concentration on Lebanon to the virtual exclusion of other aspects of the Arab-Israeli problem underscores how drastically the Reagan administration has lowered its sights after a year of diplomacy.

The Reagan plan called on Israel to give up some land for peace with its neighbors and envisaged Jordanian negotiations with Israel about Palestinian autonomy on the West Bank.

Coming on the heels of U.S. moves to get Israeli and Syrian forces out of Lebanon after the massacre in the Beirut refugee camps, the plan was cautious acceptance from moderate Arab governments and revived U.S. prestige in the region.

Although the Reagan administration contends that Syrian obduracy and Jordanian hesitancy blocked U.S. plans that ultimately would have served Arab interests, the United States and its moderate Arab clients have also lost influence.

Interviews with U.S., Arab and Israeli sources, aimed at reconstructing the diplomatic failure that led to the present impasse, produced an overall impression: U.S. presidential diplomacy lacked vigor and follow-through at critical junctures.

Arab diplomats said the United States failed to capitalize on Israeli political vulnerability after the Sabra and Chatila massacres, causing a delay that gradually sowed doubt about U.S. sincerity.

These doubts were particularly strong in Syria, especially after Philip C. Habib, the U.S. negotiator,

decided to keep Syria in the dark about the Lebanese-Israeli talks.

Instead, U.S. officials decided it would be more practical for the Lebanese to keep the Syrians informed and thus stay informed themselves about what Lebanese concessions would be acceptable in Damascus.

In fact, Lebanese officials did little talking to one another and none to the Syrians, apparently because they were afraid of Syrian objections. They counted on Arab pressure to impose a final accord on Syria.

Old Syrian hands in Washington warned that Syria would be a problem, especially since Mr. Assad distrusted Mr. Habib. Mr. Habib had provided personal assurances last summer that Israel would observe a cease-fire just negotiated by Mr. Habib, and within hours Israeli aircraft wiped out Syrian missile batteries in Lebanon's Bekaa valley.

Mr. Assad focused his efforts on blunting the other prong of U.S. diplomacy by preventing King Hussein from agreeing to negotiate with Israel.

During King Hussein's visit to Washington in December, U.S. officials said recently, President Reagan offered far-reaching promises.

If Jordan would announce its readiness to negotiate over the West Bank, Mr. Reagan promised, the United States would obtain a freeze on Israeli settlements before the talks started.

The talks themselves, Mr. Reagan reportedly promised, would be short and would conclude with a transition period to Palestinian autonomy perhaps as short as one year.

But, officials said, the United States neglected in ensuing weeks to "keep the stroke on Hussein," with the result that the Jordanian king, apparently skeptical about U.S. determination, felt he dare not take the plunge without support from Yasser Arafat, chairman of the Palestine Liberation Organization.

The PLO, under Syrian and Soviet pressure, balked, and King Hussein backed away.

"Arafat got the worst of both worlds," an analyst said. "He passed up what might have been a U.S. breakthrough, then the Syrians went ahead anyway with the punishment they had prepared in case he cooperated with the Americans."

But Mr. Arafat, like King Hussein, had become more dubious about U.S. policy because of the stalled Lebanese talks.

"Timing was crucial," a policy-maker said. "What was possible in December or January wasn't possible by the spring: the Syrians had become too strong."

This official and several other diplomats now say that the United States should have insisted on a simple agreement that would have quickly gotten Israeli troops — and therefore the Syrians — out of Lebanon.

A parallel policy dispute was under way in Israel, according to recent press reports.

Israel's intelligence service, Mossad, had the ambitious goal of helping the Christian Phalangists turn Lebanon into a pro-Israeli state. This dictated steep Israeli bargaining terms and delayed Israeli disengagement. The Israeli Army, however, was urging a quick deal and an early pullback to the security perimeter in south Lebanon.

While Israel delayed, a U.S. official said, the psychological tide in the Arab world turned in Syria's favor, then hardened against Lebanon when the extent of Lebanese concessions emerged.

Lebanese sources blame the United States for insisting on "normalization" with Israel, but U.S. officials say they only supported these concessions when it became politically essential for the Reagan administration to obtain a diplomatic coup, the withdrawal agreement.

That agreement, stonewalled by Syria, now forces the United States to concentrate all its efforts on preventing the collapse or partition of Lebanon.

WORLD BRIEFS

Disobedience Planned Against Marcos

MANILA (UPI) — Supporters of Benigno S. Aquino Jr., the opposition leader who was shot to death on Aug. 21 as he returned from voluntary exile, have announced plans for a civil disobedience campaign against the government of President Ferdinand E. Marcos.

A statement Saturday said that leaders of Mr. Aquino's Labor Party "unanimously agreed on the overriding objective of restoring free democratic process and ultimate establishment of a free government, with nonviolent confrontation or civil disobedience as the immediate means." Party sources said there was no agreement on what exactly the party would do to take advantage of a large popular showing of sympathy for Mr. Aquino. Participants also were divided on whether to participate in next year's legislative elections.

Chilean Ex-Official Ends Spanish Exile

SANTIAGO (Reuters) — Andres Zaldivar, a former Chilean finance minister and former leader of the banned Christian Democratic Party, returned from exile over the weekend and pledged to fight for a return to democracy in Chile.

Mr. Zaldivar was welcomed Saturday by several hundred as he arrived at the Santiago airport from Spain, where he had been living for three years.

He praised President Augusto Pinochet's military government for lifting a ban on the return of several hundred exiles, including himself, but added: "This is not all. My country has no right to live what it is living through." Ten years of military rule, Mr. Zaldivar said, have transformed Chile into a nation that was "politically, economically and morally despised."

Nigerian Ruling Party Wins Majority

LAGOS (AP) — The dominant National Party of Nigeria won nearly 60 percent of the seats in the House of Representatives, according to final results of the Aug. 27 elections released Sunday.

The party, led by President Shehu Shagari, won 263 seats in the 450-seat House, followed by the Nigerian People's Party with 48 seats and the People's Redemption Party and the Unity Party of Nigeria with 41 seats apiece.

Voting has been put off indefinitely in Oyo and Ondo states, both Unity Party strongholds, following violence after the gubernatorial elections in mid-August in which 43 people reportedly died. Mr. Shagari was recently returned to a second four-year term by more than four million votes and his party also won 13 of 19 state governorships and 55 of 83 contested Senate seats.

Glomp Defends Workers, Walesa

CZESTOCHOWA, Poland (Reuters) — Cardinal Jozef Glomp warned the Polish authorities Sunday against insulting the country's workers, saying that they were largely responsible for the process of national reform.

In an unusually tough sermon before about 100,000 farm leaders gathered for a harvest service, Poland's Roman Catholic primate issued a clear defense of Lech Walesa, leader of Solidarity, who has come under fierce official attack.

The cardinal's remarks were seen as the church's reaction to a televised confrontation between Mr. Walesa and Deputy Prime Minister Mieczyslaw Rakowski at a meeting in Gdansk 10 days ago, during which the minister scorned Mr. Walesa and his movement. Several Solidarity banners were seen in the crowd, which included the leaders of farm delegations from around the country.

Peronists Convene After Fraud Claim

BUENOS AIRES (Reuters) — An investigation of accusations of fraud in electing delegates to the National Congress of the Peronist Party has prevented about one-third of the delegates from attending the gathering.

The congress began Saturday, after an appeals court on Friday barred 235 delegates from the province of Buenos Aires from attending pending a judge's investigation of charges that they had been elected by fraud and intimidation.

The former Argentine president, Isabel Peron, 53, was also absent. Peronist sources said she would not return from exile in Spain, where she has been since 1981, until the government lifts a ban on her holding office. Some traditionalists are supporting her for the Peronist nomination for president, but it has been reported that the party leadership has agreed on a moderate former senator, Italo Luder, as its presidential candidate in the Oct. 30 elections.

Mintoff, in Shift, Takes Interior Post

VALLETTA, Malta (Reuters) — In a major reshuffle in Malta, Prime Minister Dom Mintoff, has again taken over the ministry of the interior, which controls the army and the police, and given new position to all but three ministers. Veteran ministers were installed in areas where Malta is having major difficulties — industry and employment, the economy, and tourism.

After the 1981 elections Mr. Mintoff gave up the ministries of foreign affairs and the interior, starting speculation that he was about to retire from politics.

The tourism minister, Rino Calleja, resigned in the reshuffle Friday night, while the minister for foreign affairs, Alex Sciberras Trigona, retained his post.

Irish Leader Opposes Abortion Plan

DUBLIN (Reuters) — Prime Minister Garret FitzGerald of Ireland has said that it is his duty as a Christian to vote against a controversial proposal to outlaw abortion in an upcoming referendum.

In a statement issued Saturday night, Mr. FitzGerald acknowledged that he had initially supported a campaign launched two years ago by a small rightist pressure group to put the existing legal ban on abortion into the constitution.

But Mr. FitzGerald said that he had opposed the amendment after his own attorney general said that the wording was so ambiguous that it might make abortions easier and could endanger a mother's life. However, Mr. FitzGerald stopped short of urging voters to act against the amendment.

Doubts Raised About British Tanks

LONDON (Reuters) — A British defense writer says that British performance in a NATO gunnery competition raises doubts that the Chieftain and Challenger tanks could survive for long in a battle with the Soviet Union's T-72 tank.

Rupert Penngelly, editor of Defense Attaché, said in the latest issue of the publication that the British performance, in June in West Germany, was considered a disaster by one senior British military observer. Out of a field of 10, the U.S. teams, equipped with the new M-1 tank and the older M-60, finished first, second and eighth. The British team came in ninth. Mr. Penngelly said, "There is no way we are going to let this pass and pretend it didn't happen," an army representative was quoted as saying.

South Africa Media Unveil Press Plan

JOHANNESBURG (Reuters) — The South African newspaper industry has unveiled the details of a new watchdog body aimed at avoiding further government controls on the press.

The plan for a media council was unveiled Saturday. The council, which will start work in November, is being given a chance to prove itself by the government, which has delayed enforcing a law passed by Parliament last year.

The law, known as the Registration of Newspapers Amendment Act, requires all newspapers to subject themselves for disciplinary purposes to a "voluntary" body and empowers the minister of internal affairs to cancel the registration of any newspaper that fails to accept its decision. The law was rushed through Parliament in the final days of the 1982 session, but was shelved earlier this year after newspapers opposed it strongly.

Iraq Vows to Continue War With Iran

BAGHDAD (Reuters) — Iraq marked the third anniversary of its war with Iran Sunday with a vow that it would continue fighting until the end of the century unless a just solution to the conflict is reached.

"If Iran continues its aggression, Iraq will continue to fight in defense of its land and pride," Defense Minister Adnan Khairallah, who is also deputy commander-in-chief of armed forces, said in an interview with the government newspaper al-Jumhuriya. He did not specify what he meant by a just solution.

For the Record

BANGKOK (AP) — The Vietnamese government has confirmed that it is holding a Briton and an American arrested during an apparent hunt for pirate treasure in the Gulf of Siam, a British Embassy spokesman said Sunday. Hanoi named the Briton as Richard Knight, 47, of Shoreham-by-Sea in Essex, and the American as Frederick Graham, 19, of Belmont, California.

BERLIN (AP) — About 5,000 marchers, including both Germans and Turks, followed the funeral cortege Sunday of Kemal Altun, the Turk who jumped from a sixth-story West Berlin courtroom window last week and killed himself. Mr. Altun had been denied asylum.

Japan Says Soviet Envoy Disclosed Discovery of Aircraft Debris in Sea

By Clyde Haberman

New York Times Service

TOKYO — The Soviet ambassador to Japan has reported that debris from an aircraft was found in waters where a South Korean airliner was reported to have been

shot down Thursday by a Soviet fighter plane, the Foreign Ministry said.

The ambassador, Vladimir Y. Pavlov, did not specify that the fragments were from the Korean Air Lines jet that went down with

269 persons aboard in the northern Sea of Japan west of Sakhalin Island, the ministry said.

Nevertheless, the report Saturday was the first Soviet statement that any trace had been discovered of what presumably was the Korean jet, a Boeing 747 on the Anchorage-to-Seoul leg of a flight that had begun in New York.

At the same time, the Japan Broadcasting Corp. said that the government had evidence that an order to fire on the South Korean plane had been given from a Soviet ground control station.

It reported that conversations between Soviet pilots and ground control stations had been taped throughout the two and a half hours that Russian planes reportedly tracked the airliner.

The Japanese government is prepared to make these tapes public if it is unhappy with Soviet handling of the crisis, according to the report. Foreign Ministry officials declined comment and refused even to acknowledge that they had such tapes.

However, it is believed that Japanese military stations, like their American counterparts, closely monitored the Korean Air Lines flight and that their data were the basis for a conclusion that the jetliner had been shot down.

The statement by Mr. Pavlov that airplane debris had been found in the waters off Sakhalin did not satisfy the Japanese foreign minister, Shintaro Abe, who protested that the Russians were not providing enough information.

It was the third time that the ambassador had been summoned to the Foreign Ministry since the plane disappeared but the first time that he had met with Mr. Abe.

At a news conference after his 40-minute meeting with the ambassador, Mr. Abe warned that "the Soviet attitude will influence relations between Japan and the Soviet Union."

Search Reported Over

Japan's Kyodo News Service said Sunday that the Soviet Union appeared to have ended its search for the downed jet, news agencies reported from Tokyo.

Kyodo quoted Japanese military sources as having said that an analysis of Soviet ship-to-shore communication off the southern end of Sakhalin revealed a sharp decline in activity after Friday night.

The Soviet Union has ignored Japan's requests that its search ships be allowed to enter Soviet waters off Sakhalin.

One Japanese ship that was stopped short of the suspected crash site was carrying 41 Japanese and 6 Korean relatives of passengers of the jet. When the ship, escorted by a Maritime Safety Agency patrol boat, reached its northernmost point, the relatives threw flowers into the ocean and began crying for their lost family members.

A vice president of Korean Air Lines, Cho Chong Kwon, said in a news conference on the island of Hokkaido that the airline was willing to pay \$75,000 in compensation to the family of each passenger.

Officials in Seoul told Reuters that South Korea had ruled out direct sanctions against the Soviet Union over the loss of the plane.

Members of the National Assembly had urged the government to close the Korea Strait, with the help of Japan, to Soviet shipping, but Foreign Minister Lee Bum Suk made clear that no such measure was planned, the officials said.

President Chun Doo Hwan met with officials at the presidential mansion and was reported to have called for stepped-up diplomatic efforts to gain even wider support for South Korea in its demands for compensation from the Soviet Union.

With the United States and Japan in the forefront, the loss of the plane has already brought criticism and condemnation of the Soviet Union from at least 50 countries, including China, Romania and Yugoslavia.



Angered by the downing of the South Korean airliner, 70 protesters broke through the gates of the Soviet diplomatic retreat at Glen Cove, New York, Sunday, before being turned back by police and guards. They were part of a crowd of 1,000 that demonstrated outside the Long Island compound, burning a Soviet flag. Five policemen were injured.

Plane's Crew May Have Been Using Shortcut to Seoul, U.S. Experts Say

By Philip Taubman

New York Times Service

WASHINGTON — Intelligence analysts studying information about the flight of a South Korean plane that the United States charges was shot down by a Soviet jet say they cannot rule out the possibility that the plane's crew might have flown intentionally into Soviet airspace on a short-cut route to Seoul.

Korean Air Lines officials have rejected such a possibility, saying that their pilots were well aware of the danger of entering Soviet airspace. But the question remains one of several that may never be resolved, according to the analysts.

The intelligence experts also said Saturday that the record does not disclose how the plane strayed over Soviet airspace or whether Soviet pilots realized they were pursuing a passenger plane. The experts are working with recordings of communications between the South Korean crew and Japanese air traffic controllers and conversations between Soviet pilots and their ground commanders.

The United States did not receive the recordings, until almost 12 hours after the incident on Thursday. American officials have said that the United States had no ability to monitor the conversations as they were taking place.

The officials said that other interceptions of Soviet communications provided only a fragmentary picture of how the decision was made to shoot down the plane and who approved the attack.

The intelligence officials, cautioning that their speculation was based on circumstantial evidence, said it was difficult to support any other explanation on the basis of available information about the route of Korean Air Lines Flight No. 7 from New York to Seoul.

The officials said they knew of no previous efforts by South Korean pilots to save flying time to Seoul by taking a more direct route, and acknowledged that intentionally flying through Soviet airspace would be unthinkable to experienced pilots. But they said that other explanations, such as faulty navigational equipment, seemed even more unlikely.

That suggestion was advanced by aviation experts, who said a breakdown in the plane's automated navigational system might have caused the aircraft to veer off the approved flight path that runs over international waters off the Siberian coast.

Intelligence experts said, however, that the Boeing 747 jet was equipped with three separate sets of highly sophisticated navigational equipment that were designed to

protect against course deviations caused by a breakdown in one of the units.

Even if all three computerized units were providing misleading information because they were improperly programmed before the plane left Alaska, the officials said the crew had other ways to check the course.

In addition, according to the intelligence officials, the incorrect course that the plane followed, whether by design or accident, happened to be the shortest, most direct route to Seoul.

"The plane did not veer off suddenly in some completely random direction," a senior intelligence official said. "It was on the wrong path for several hours, never deviating from a line that would have taken it straight to Seoul."

The normal flight path skirts the east coast of the Kamchatka peninsula and continues over the Kuril Islands before cutting to the southwest over northern Japan and out over the Sea of Japan.

The plane turned to the southwest at the tip of the Kamchatka peninsula, going through Soviet airspace over the Kuril Islands, back into international airspace over the Sea of Okhotsk and again

over Soviet territory above the island of Sakhalin.

On the question of Soviet actions, intelligence officials said they remained uncertain as to whether Soviet pilots pursuing the South Korean plane knew it was a passenger airliner. Official Soviet statements have described the plane as a surveillance aircraft on an apparent spying mission.

The Soviet news agency Tass said Saturday that the plane looked like a U.S. AWACS surveillance plane.

The AWACS, which stands for Airborne Warning and Control System, is a modified Boeing 707 filled with electronic and communications equipment that carries a large radar pod on top.

A transcript of the pilot's conversation with the ground controllers reportedly shows that before firing a missile at the South Korean plane, he flew within about a mile (1.6 kilometers) of the aircraft to make a visual sighting, intelligence officials said.

Intelligence officials said it is inconceivable that the Soviet pilot would not have realized that the plane was a passenger aircraft if he got a good look at it, but they cannot tell from the transcript whether he did.

Downing Seen as Damaging Russia's Peace-Loving Image

(Continued from Page 1)

with any certainty why the Russians had felt it necessary to down an unarmed plane or whether the Soviet military had acted on its own authority.

"One thing that this does," said the Senate majority leader, Howard H. Baker Jr., "is to reassure many people what they feel already, and that is that the Soviet Union is reckless in its use of armed forces."

Congressional liberals as well as conservatives added that the Soviet attack would lend more credibility to Mr. Reagan's basic contention, as one side put it, "that the only kind of persuasion the Russians understand is force."

Nonetheless, some politicians, like Senator Gary Hart of Colorado, a Democratic presidential aspirant, took the view that this episode should not increase resistance to arms negotiations with Moscow, but persuade Americans that "we should pursue the toughest arms limitation treaty possible — for our own national security" and to reduce risks of war.

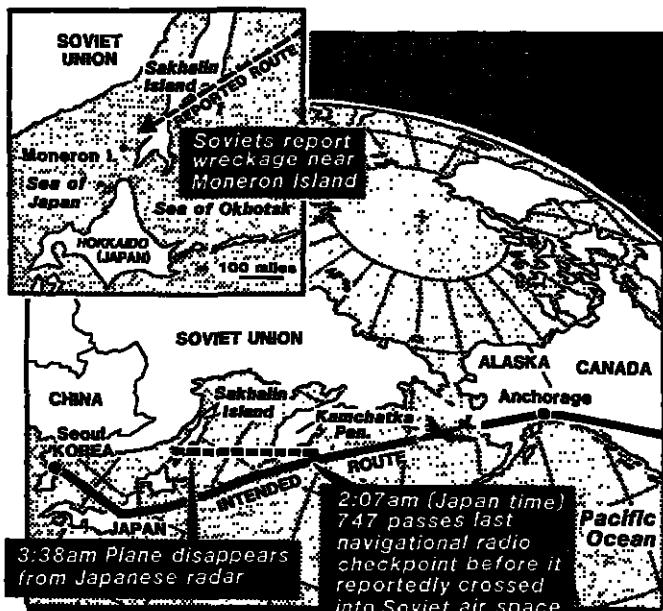
Some administration officials are concerned that once the immediate passions have cooled and the

president has reaped short-term political dividends from the Soviet misbehavior, the incident could prove costly to the Reagan administration if arms negotiations are seriously disrupted or if Moscow and Washington begin a round of reprisals and counterreprisals.

Before the incident, some of Mr. Reagan's political advisers had calculated that if he were to seek reelection, the president would be well served by improving relations with Moscow, by significant progress toward arms control and by a climate of international security rather than East-West tension and confrontation.

From that perspective, this incident has moved the administration in the wrong direction, although for the moment Mr. Reagan has seized on Moscow's actions to sharpen the public sense of revulsion at this barbaric attack and to put the Kremlin on the propaganda defensive.

The longer-term impact of the episode, specialists suggest, will depend on how Moscow responds to the world uproar, whether it takes responsibility and offers some gestures of moderation to placate Western opinion or takes a generally hard line.



The Associated Press

Soviet Official Describes Pilots' Warning Efforts

United Press International

MOSCOW — The head of the Soviet Union's air defense, calling Korean Air Lines Flight No. 7 a "rude and deliberate" provocation, gave an account Sunday of the efforts of Soviet pilots who allegedly fired warning shots at the plane.

The account, transmitted by Tass, largely reiterated previous statements, none of which admitted shooting down the South Korean plane Thursday over the north Pacific.

It was the first statement attributed to any specific Soviet political or military official about the incident in which 269 people died.

Colonel General Semyon Romanov, chief of staff of the Soviet air defense command, said one fighter pilot had made repeated attempts for a "long" period of time to direct the "intruder plane" to the nearest Soviet base.

After failing to establish radio contact with the jet, the pilot fired warning shots parallel to the flight path, General Romanov said.

In a refinement of Moscow's previous explanations, General Romanov said the KAL jet "flew with extinguished lights and its outlines resemble much those of the American reconnaissance plane RC-135."

"Just in this year, American military planes... nine times violated the airspace of the Soviet Union in the region of the Kuril Islands," he said.

"Our interceptor pilot made warning shots with tracer shells along the course of the intruder plane to draw the crew's attention to the gross violation of the airspace of another state," he said. "The plane seemed to be stalking under the cover of night above our territory," General Romanov said. "And there are no doubts that this was a deliberate action designed as a rude provocation. It is not difficult to guess who and for what purpose needed this provocation."

General Romanov said that after the jet failed to establish radio contact, the Soviet pilot flashed his aircraft's lights and rocked its wings.

"Neither wagging nor flashing, however, brought the necessary result," he said. "The intruder plane continued the flight in night conditions at the height of 8,000 to

10,000 meters above the territory of the Soviet Union," or 26,400 feet to 33,000 feet.

Following his report of General Romanov's remarks, Tass published a new, harsh list of accusations against the United States.

"The U.S. administration continues its dodging tactics and avoids giving straight answers to questions concerning its criminal actions," the agency said.

"Initiators of the outrageous rumpus, which is being raised by the White House and personally by Ronald Reagan against the Soviet Union, deliberately heighten it to utmost limits, piling one deception on another," it said.

"They do not mention that responsibility for the provocation rests with the American services that sent the plane for a spying mission along the route which cut inside Soviet territory," Tass said.

U.S. Responsibility Alleged

Serge Schmemmann of The New York Times reported earlier from Moscow:

In an account carried by Tass and read on Soviet television Saturday night, the Soviet Union intensified its charges Saturday that the United States was ultimately responsible for the fate of the South Korean plane.

It accused the White House of waging a "worldwide, rabid anti-Soviet campaign" over the incident.

The report, the third in three days carried by Tass, continued to avoid any admission that the Korean Air Lines 747 had been shot down by Soviet interceptors. But the report went beyond previous Soviet statements in acknowledging that the aircraft previously identified only as an "intruder plane" was in fact the South Korean airliner.

Tass accused President Ronald Reagan of seeking to convince public opinion "that the U.S.S.R. allegedly is guilty of loss of life" while failing to answer basic questions about the flight.

Those questions, Tass said, were how the plane came to be 300 miles (about 480 kilometers) from its flight path, and why U.S. and Japanese ground controllers, knowing that it had strayed into Soviet airspace, failed to take measures against this "rude violation of Soviet sovereignty."

Tass also charged that it was not coincidental that

AMERICAN TOPICS

A Twice-Weekly Survey Compiled by Our Staff

Disaster Coverage

Don Rather, the anchorman of CBS television news, immediately postponed his vacation when he learned that the Soviet Union had shot down a South Korean airliner. President Ronald Reagan, on the other hand, delayed interrupting his

transpiration; Beverly Sills, general director of the New York City Opera; Mayor Diane Feinstein of San Francisco; Gloria Steinem, editor of Ms. Magazine; and Janice J. Kirkpatrick, U.S. representative to the United Nations.

Americans

Kennedy rocking chairs are still in demand. The original was designed to accommodate President John F. Kennedy's back by his doctor, Janet G. Travell. Copies of the padded rocking chair are assembled and sold (for \$325) by Norma Arata, a former White House secretary whose late husband was the White House upholsterer under Mr. Kennedy and President Lyndon B. Johnson. Mrs. Arata's Kennedy rockers are selling well. Senator Edward M. Kennedy owns one; Willy Brandt, the former West German chancellor, has one; and so does Pope John Paul II, who, said Mrs. Arata, "keeps it in his bedroom—the apostolic delegate told me so."

Deregulators Retire

The presidential task force set up to abolish government rules unduly hampering business has put itself out of business after cutting back regulations governing trade, energy, agriculture, automobiles, prescription drugs, environment and banking. The reforms will save consumers an estimated \$150 billion over the next decade, according to the task force's counsel, C. Boyden Gray.

The task force, set up to carry out a major electoral pledge by Mr. Reagan, was headed by Vice President George Bush, but Mr. Gray, 40, a Bush aide, is credited with slicing the regulatory red tape.

Critics say the deregulators have turned back the clock on cleaning up the environment and improving safety conditions. One of them describes Mr. Gray as "a fine example of the fox guarding the chicken coop. He worked in private practice representing the auto and many other industries, and now he plays a major role in deciding which regulations will survive or be scrapped."

The National Association of Manufacturers, in contrast, complains that deregulation is losing its momentum. Citing resistance by the courts and Congress to more liberalization, a spokesman said further deregulatory legislation is needed to prevent a new president from reversing the changes made by this administration.

Back to School

Computers, curricula and costs are on the minds of teachers and students as the school year starts.

A new federal study shows that instruction in computer programming is growing much faster in affluent, big city secondary schools than in rural areas and that it remains more popular among boys than girls.

Only about 5 percent of college undergraduates now major in the humanities, down from 12 percent a decade ago, as more students choose career-oriented programs.

Colleges will cost 10 percent more on the average this year. At the most expensive schools, all in the northeastern United States, a year's study costs nearly \$15,000. They are the Massachusetts Institute of Technology, Bennington, Harvard-Radcliffe, Yale, Princeton, Tufts, Brown and Sarah Lawrence.

Defending his do-it-yourself style, Mr. Cuomo says he enjoys being directly involved in day-to-day work, which he says opens him to more advisers, more viewpoints. And he has had an immensely successful first few months in office—including quick completion of the state budget and breakthroughs on several tough issues in the Legislature.

Notes on People

Peter Meyer, the chief executive of Penguin Books International, will move from London to New York City to take charge of Viking Penguin following the resignation of Irving Goodman, who turned Viking in a profitable publisher during his five years as corporate president.

The most influential American women, according to Harper's Bazaar magazine, are Nancy Reagan; Jacqueline Kennedy Onassis; Barbara Walters, the television interviewer; Sandra Day O'Connor, the Supreme Court justice; Coretta Scott King, the civil rights leader; Elizabeth Dole, secretary of



Television viewers saw Challenger's crew playfully attack Dr. William E. Thornton with various tools after taping him to a wall. Dr. Bill, as he is known, has put his colleagues through a series of medical tests on space motion sickness.

Shuttle Crew Stars in TV Show on Space Sickness

In Broadcast From Challenger, Doctor Explains Experiments on Colleagues

By Lee Dembart
Los Angeles Times Service

HOUSTON — In one of the most unusual astronaut television broadcasts since the lunar landings, Dr. William E. Thornton presented a detailed account of the experiments he is conducting in orbit to solve the riddle of space sickness.

Dr. Thornton, 54, who was added to this third flight of Challenger, the eighth in the U.S. space shuttle program, to study space motion sickness, indicated that it has affected some of the five astronauts now flying 138 miles (223 kilometers) above the Earth.

In keeping with space agency policy, he would not say who has been sick. But, he said, "There have been in a crew this size the usual range of symptoms that occur during adaptation," including upset stomach, drowsiness and malaise.

"I would say that I learned more in the first hour and a half of orbit here than I had by all of the literature research that I'd done and all the active work in the past year,"

Dr. Thornton told reporters a few hours before he put on his television show from space on Saturday. Challenger, launched last Tuesday, was due back in the United States Monday.

During the broadcast, Dr. Thornton indicated that he sided with the sensory-conflict theory of space sickness.

"As you know, we always have to be aware of which way is up and down on Earth, but here, there is no up and down, and so the nervous system has to adapt to that," he told viewers.

With that he showed Lieutenant Colonel Guion S. Binford 2d walking on a treadmill while vital signs of his neurological system were recorded.

Next was Lieutenant Commander Dale A. Gardner, who was wearing a foot-to-high stocking with special tapes on it to measure the movement of body fluids from the leg upward.

Commander Daniel C. Brandenstein, the mission pilot, next modeled electrodes that pick up eye motion. "The eyes give us a particularly good insight into the way our balance mechanism works," Dr. Thornton explained.

Finally, Captain Richard H. Truly, the mission commander, was brought in to demonstrate how Dr. Thornton is studying the nervous system directly. "Commanders always have very large brains," the doctor said.

Electrodes were attached to Captain Truly's scalp to pick up brain waves. At that point, Commander Truly took the microphone and praised Dr. Thornton as "the hardest working individual on board."

"We're not quite through, however, with the TV show. Over the months we've had to put up with what we've called Bill's chamber of horrors. So we have a little measurement program of our own."

He picked up a hammer, the other crewmen picked up a wrench, pliers and a screwdriver, and they advanced on Dr. Thornton, who in

the meantime had been taped to the wall.

During the earlier conversation with reporters, Dr. Thornton was asked whether age made a difference in space flight.

"Well, we certainly don't stop life just because we have a few years," he said. "We should not count physical conditions by the number of years but look at the physiological age and capacities of an individual."

He also said he knew of no medical reason why a private citizen could not fly in space, a point that Captain Truly agreed with.

"I do think in the future we can safely and easily fly private citizens in space with the proper introduction and preparation," Captain Truly said.

An engineer from the U.S. aircraft maker McDonnell Douglas is scheduled to fly on the shuttle next year.

Under the new law, which needs the approval of the junta to take effect, political parties are guaranteed the right to hold private meetings and public rallies, maintain offices anywhere in the country, raise funds and distribute literature. They may also criticize the government and propose "constructive solutions" to problems.

Most important in the view of the opposition, parties have the right "to aspire to power." Their platforms cannot be restricted as long as they respect "the basic principles of the Sandinist revolution."

Still unresolved, however, is the crucial question of what kind of elections the Sandinists will permit.

Sandinist leaders have given few hints of their plans. In a recent speech, Sergio Ramirez Mercado, a junta member, asserted that Nicaraguans would not be asked to select a candidate "as if they were choosing a brand of soap or detergent."

Instead, he said, they should expect an electoral system "not manipulated by public relations agents" so that they could vote "to improve the country, not to favor multinational financial interests or military-industrial trusts."

Some diplomats and Nicaraguans believe that the Sandinists have not decided how to deal with the question of elections. Independent political analysts said a presidential election might pose a problem because it would require the nine Sandinist leaders to select a single person to lead their party.

The opposition, however, is even more ridden with conflicts. "They can't get together on anything," a Western diplomat said. "They are very divided and disorganized, and the parties are constantly bickering among themselves."

U.S. Official Cancels Trip

Langhorne A. Motley, the assistant U.S. secretary of state for inter-American affairs, canceled a scheduled visit Saturday to Nicaragua after leaders of the Sandinist government reversed their agreement to meet with him. The Washington Post reported Sunday from Washington. No reason for the reversal was given, a State Department spokesman said.

Scholars Praise Reagan As Better Than Carter In Wielding His Power

By David S. Broder
Washington Post Service

CHICAGO — Political scientists are submitting their first report cards on the presidency of Ronald Reagan, and the incumbent is beating his predecessor, Jimmy Carter, by an even wider margin than he did in the election of 1980.

Papers and panels at the annual meeting of the American Political Science Association drew a picture of a Reagan White House with notably high levels of policy agreement, staff coordination and political acumen.

By contrast, the Carter administration was almost entirely lacking in the ingredients for success, according to scholars who are starting to sort through its private records.

Erwin C. Hargrove of Vanderbilt University in Tennessee, who is at work on a study of the domestic aspects of Mr. Carter's presidency, sounded a typical note when he said Friday that Mr. Reagan had created "a sense in the country that he is addressing fundamental historical questions." He said Mr. Reagan had used that advantage to give coherence to "the strategy and tactics of his presidency."

By contrast, Mr. Hargrove said, unpublished interviews by scholars at the University of Virginia with all the key figures in the Carter White House drew a portrait of a president "who did not think strategically about the relationship between policy and politics."

"Even though he got a lot of political advice, he was reactive rather than creative in his approach," Mr. Hargrove said.

Many of the political scientists who presented papers made it clear that their professional admiration for Mr. Reagan's skill in wielding presidential powers did not extend to his policy objectives.

Michael E. Kraft of the University of Wisconsin-Green Bay and Norman J. Vie of Carleton College in Minnesota asserted that Mr. Reagan's success in changing the country's environmental policies "is particularly striking when compared to the picture drawn by students of the American presidency... of a 'no-win presidency.'"

Even though they dislike many of his policies, they said, "Reagan's revolution" is predicated on a radical reassertion of presidential powers and prerogatives.

Three comparative studies of decision making in the Reagan and Carter White Houses, based on extensive interviews with senior officials of both administrations, are highly flattering to Mr. Reagan.

Charles E. Jacob of Rutgers University in New Jersey, who said Mr. Reagan's economic policies "are troublesome to the conscience of an egalitarian liberal," nonetheless credited Mr. Reagan with achieving

ing "revolutionary change" in that area.

By contrast, he wrote of Mr. Carter: "One is led to the overriding conclusion that while the experience, administrative style and personality of this president surely did not create most of the challenges to stability, they do go a long way to explain the limited capacity to cope with these challenges."

The Rev. Colin Campbell of Georgetown University in Washington, in a study of the cabinet's role under Mr. Carter and Mr. Reagan, said that Mr. Carter had seemed to follow sentiment more than design in setting up his White House.

Mr. Carter's decision-making "was short-circuited by two failures," Father Campbell said. "First, Carter in his personal encounters with aides whom he did not know well, avoided overt conflict. Second, the advisers he trusted implicitly, mostly Georgians, demonstrated near-paranoia about political appointees not in the charmed circle and career officials."

According to Father Campbell, Mr. Reagan "has used his cabinet and White House exceedingly well." He added that "we should not be lulled by Reagan's inattentiveness to detail and nuances" and that "as president, Reagan has imposed exceptional discipline on his administration."

Father Campbell and John H. Kessel of Ohio State University, who did his own interviews with 44 members of the Reagan White House staff, found effective coordination of policy and operations among the four leading aides of the Reagan administration, James A. Baker 3d, Edwin Meese 3d, Michael K. Deaver and William P. Clark.

"The White House staff was not preventing President Reagan from pursuing his preferred policies," Mr. Kessel said. "Their conservatism mirrored Reagan's own."

Mr. Kessel found that there was about 50 percent more internal communication within the Reagan staff than there had been on the Carter staff and said that the reason "is the existence of coordinators whose counterparts did not exist in the Carter White House."

3 Bombs Explode in Spain

PAMPLONA, Spain — Three small bombs exploded early Sunday at buildings of the University of Navarre in northern Spain, causing damage but no injuries, police said. No one claimed responsibility, but responsibility for a bombing at the university in June 1981 was claimed by Basque separatist guerrillas.

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Nicaragua Cheered by 'Wipe Out' Of 'Yankees' in a 9-Inning Battle

New York Times Service

MANAGUA — Nicaragua has defeated what it considers its most powerful enemy, the United States, in a head-on clash in Latin America.

The triumph came at the Pan American Games in Caracas, where Nicaragua's national baseball team defeated the Americans, 9-5, and captured a silver medal. Cuba won the gold, and the United States got the bronze. The Games ended last week.

"We Wipe Out the Yankees!" screamed a headline in the Sandinist newspaper Barricada.

Luis Cano Aranz, a left-handed pitcher, held the Americans scoreless through eight innings. Exuberant fans in the Venezuelan stadium could be heard chanting: "Yankees, no! Nicaragua, yes!"

Guillermo Cortés, a Nicaraguan sportswriter, wrote: "It was hard not to think of the warships and thousands of American soldiers closing in on our coasts while Cano blanked the gringos through eight innings."

Nicaragua's silver medal qualifies the team for the 1984 Olympic Games, where baseball will be included for the first time. Mr. Cortés reminded his readers that the 1984 Olympics "will be held in the very heart of the enemy" — Los Angeles.

BRIEFS

ned Against Man
Benigno S. Aquino Jr. was shot on Aug. 21 as he returned to Manila for a civil disobedience campaign against the dictatorship of Ferdinand E. Marcos. The assassination was the first of a series of killings of political opponents of the government. The government has agreed to a free press and to a popular showing of respect for the dead.

Ends Spanish Ex
Zaldívar, a former Chilean exile, was granted asylum in Spain and pledged to fight against Pinochet's military government. He has no right to live in Spain, Mr. Zaldívar said, but he is politically, economically and socially active.

Party Wins Major
National Party of Nigeria won 265 seats in Sunday's general election. The party's leader, Abacha, won 265 seats in the People's Party with 40 seats in the United Party of Nigeria.

Workers, Wales
Cardinal Joseph Callaghan, who is visiting Wales, said that the country's economy is in a state of crisis. He said that the country's economy is in a state of crisis.

Takes Interior P
An investigation of the National Congress of the United States of America, which included the leaders of the country, was announced.

About British Tu
British defense minister said that the country's defense budget is in a state of crisis. He said that the country's defense budget is in a state of crisis.

dia Unveil Pres
The South African president said that the country's defense budget is in a state of crisis. He said that the country's defense budget is in a state of crisis.

Continue War With
The third anniversary of the end of the Vietnam War was celebrated in Hanoi. The country's defense budget is in a state of crisis.

Herald Tribune

Published With The New York Times and The Washington Post

A Measured Response

To the grievous and persuasive charge of unprovoked murder in the air, the Soviet Union offers three responses:

- 1) We did not do it, having fired only "warning shots" along the flying route of the plane.
- 2) If we did it, that was because the intruding plane could not be identified, behaved suspiciously and ignored our warnings.
- 3) We should have done it, because we knew this was a "pre-planned" American intelligence mission under civilian cover.

In rational discourse, that is a bald and unconvincing tale. No. 1 evades the evidence and is contradicted by No. 2 which is contradicted by No. 3.

But in the library of Soviet lies, this response is noteworthy as at least an indirect confession of responsibility. Whatever they have discovered about the affair, the Soviet leaders are admitting an unhealthy paranoia about their borders, displaying the aggressiveness born of their insecurity, and exploiting a tyranny that leaves them unaccountable to anyone.

That Soviet condition is the tragedy behind the tragedy in the Sea of Japan. Even in legitimate rage over the wanton killings, the United States and other nations need to focus on the fact that enormous power is wielded by a secretive, uneasy and insufficiently accountable regime. Counterstrength and vigilance are obviously essential.

But so are relationships that pierce secrecy,

and that enhance security and accountability. For once, President Reagan and his advisers are showing an admirable understanding of that delicate balance. They have used their impressive powers of intelligence and publicity to pursue the truth and to stir a proper revision around the world. Now they are groping for a measured, constructive response.

There is no profit in following the Soviet example of warding off demons by shooting yourself in the foot. You do not protect civilization by breaking off arms control negotiations that could bring the world greater security. You do not pierce the obsessive Soviet secrecy by slandering other diplomacy.

And you do not make the Soviet Union more accountable by drumming it out of the world community.

A measured response requires proper measure of the Soviet offense: a callous attack on innocent international travel and commerce on which the Soviet Union also depends. An aroused world should now give notice that Soviet aviation and shipping cannot enjoy innocent passage while those of other nations are put at risk by murderously excessive Soviet security operations.

Mr. Reagan appears determined to lead such a campaign even as he persists in wary pursuit of other agreements with the Kremlin. To build on tragedy in such a way is the meaning of civilization.

—THE NEW YORK TIMES.

Justice in Zimbabwe

A travesty of justice appears to be unfolding in Zimbabwe. For 13 months the government of Prime Minister Robert Mugabe has detained six white air force officers accused of complicity with South Africa in a major sabotage incident last year. A black Zimbabwean judge finally acquitted them, ruling that the prisoners' confessions, which constituted the main evidence cited, had been obtained through torture and intimidation and that the men had been denied access to their lawyers.

Mr. Mugabe, who had let it be known he did not believe the prisoners should be freed on "technicalities," was true to his word and had the officers released within minutes.

The incident is but one in a series that has cast a cloud over the optimistic expectations that many of Zimbabwe's foreign friends had entertained for it. Mr. Mugabe has come under intense criticism for atrocities that his armed forces allegedly have committed against civilians in tribal areas faithful to the opposition leader Joshua Nkomo.

Mr. Nkomo's own status, now that he has returned from exile, is uncertain. Mr. Mugabe has made no bones of his intention to replace Zimbabwe's multi-party democracy and open economy with a one-party socialist state.

To be sure, it would be misleading and unfair to see the affair of the officers strictly in the context of internal political developments. Zimbabwe is the very vulnerable target of a brutal destabilization campaign of economic pressure, political subversion and sabotage being carried out by South Africa. Zimbabwe has been careful to avoid provoking Pretoria by harboring guerrillas. Its offense, in South African eyes, seems to lie simply in standing up boldly against apartheid and in offering a new example of multi-racialism. Unquestionably, Zimbabwe cannot ignore South Africa's ugly contributions to its troubles.

Zimbabwe does not lighten its burden, however, when it responds in ways that erode trust among its constituent races and tribes and that lead its foreign friends, including the United States, to question the basis on which they offer their support. Mr. Mugabe has his own complaints about U.S. policy for having the effect, in his view, of encouraging South Africa "to become more aggressive." He is due to come to Washington later this month to discuss this and other issues. It would improve the prospects of his visit if he found a way, first, to return the officers' case to the courts.

—THE WASHINGTON POST.

An Honorable Man

Senator Henry M. Jackson, who died Thursday night at his home in Everett, Washington, showed a consistency and clarity of purpose unusual in politicians. First elected to the House in 1940 and then to the Senate in 1952, he was one of the few members of the current Congress to have served before Pearl Harbor. From those days, Mr. Jackson drew the lesson that freedom depends on preparedness and military strength.

He was interested from the beginning in nuclear energy and atomic weapons, and he believed that the United States must never let the Russians gain advantage. That theme runs straight through his service on the Joint Committee on Atomic Energy in the 1940s. It explains the defense commitments he extracted for supporting the limited test ban treaty and the conditions he demanded for supporting the first strategic arms agreement — neither would have been ratified without that support — as well as his doubts on SALT-2.

He was interested as well in natural resources and the environment. He turned down the position of undersecretary of the interior in 1970, and he was a force behind environmental laws in the 1970s. As chairman of the Senate Interior Committee, he skillfully balanced environmental and economic interests.

On domestic issues, he started off as "a 100 percent New Dealer" and never wavered in his faith that an active federal government could improve the lot of the ordinary person. But he always understood that government could abuse the civil liberties of its citizens. In his first years in the Senate, he stood up to Joe McCarthy when few others dared.

He ran unsuccessfully for the Democratic presidential nomination in 1972 and 1976. But he gained in his career a more elusive victory: Ideas he championed have held up over time. In the last four decades, Americans and their government have generally advanced freedom, increased prosperity and improved the quality of life. In dozens of ways, Henry Jackson served those goals.

In the process, Scoop Jackson remained unpretentious and good-humored. He lived modestly and always gave his outside earnings to charity. He was one of the few public officials in the 1970s to send his children to public schools in the nation's capital. He took on his Senate colleagues and got them to limit their outside earnings. He leaves behind an example of honorable and effective public service, responsive to events but informed by conviction and steadiness of purpose.

—THE WASHINGTON POST.

Other Opinion

The Russians' Worst

The incident exhibits all that is worst in the Soviet system: the morbid paranoia, untruthfulness, obsessive secrecy, and brutal disregard for human suffering resulting from the pursuit of political aims of doubtful value. Arms control talks must continue, since an even higher interest is involved.

—The Times (London).

Tass has admitted that the Russians fired warning shots at the Korean Airlines jetliner. At the same time, it asserts that the airliner's intrusion was a "provocation" and takes a stance of direct confrontation with the Reagan administration. Tass said it is possible to "conduct intelligence activities with impunity by using a civilian airplane as disguise."

This is outrageously foolish reasoning.

—The Yomiuri Shimbun (Tokyo).

FROM OUR SEPT. 5 PAGES, 75 AND 50 YEARS AGO

1908: Better Than 'Peter Pan'

LONDON — "What Every Woman Knows" is the title of Mr. J.M. Barrie's new comedy. It is his master-piece. Even "Peter Pan" must now take second place. It was produced for the first time last night at the Duke of York's Theatre and was a triumph for both the author and the splendid cast of actors who interpreted it. This delightful comedy came to London unheralded. There were no brass bands in advance. It was given on its merits, and they were enough to make it one of the theatrical successes of the decade. "What Every Woman Knows" is what is revealed in the last line of the play, that is, that woman was not made out of Adam's rib, but out of his funny-bone.

1933: Constitutional Dangers

NEW YORK — The dangers confronting constitutional government in the United States were cited by Dr. Nicholas M. Butler, president of Columbia University. He advanced four proposals to strengthen and improve the functions of the federal government: 1) enact a statute outlining the procedure of states voting on constitutional amendments; 2) establish a council of foreign relations; 3) improve relations between the executive and legislative branches; and 4) abolish the direct primary, with the nomination of candidates by conventions. Discussing the third point, Dr. Butler said, "Congress has assumed a superiority which does not belong to it."

The 747 Incident: After the Tragedy, Lasting Damage

By Murray Marder

WASHINGTON — Soviet explanations notwithstanding, the shooting down of an unarmed South Korean airliner with Americans aboard provides a classic example of how a single, ill-conceived action by the Soviet Union can rebound devastatingly on the American psyche and boom on the Kremlin.

Instant, grievous damage to those who are committed to negotiations with the Soviet Union already has occurred. And the most intractable hard-liners, who insist that the Russians are beyond trusting, have received an injection of political adrenaline.

Immediately after the incident, the champions of moderation inside the Reagan administration — notably at the State Department — maintained that the temper in the United States was bound to subside, and that the imperatives that drive the country to seek negotiated compromises with the Soviet Union are still operative. But events now threaten to move

beyond the control of the foreign-policy-making establishment. To a large extent, the climate of public opinion in the United States and the political realities facing President Reagan will shape the response, rather than the advice of diplomatic specialists.

Instinctively, President Reagan has positioned himself to run with the tide of outrage — or even whip it higher. By excoriating Soviet behavior as terrorist and inhuman, Mr. Reagan has assured that no one will be able to outflank him on the right — at least in rhetoric.

The larger tragedy is that we are witnessing a revival of passions and perceptions that all too often have frozen the two superpowers into immobility. Since World War II the politics of American-Soviet relations has revolved around two conflicting perceptions in the United States. The first is that the Soviet Union, al-

though a society with values antithetical to those of Americans, nevertheless has a government with which it is possible to negotiate, and to work out mutually advantageous, binding agreements. The second is that the Soviet Union, in President Reagan's own words, is an "evil empire" that is prepared to violate every pledge that no longer suits its purposes.

Americans are generally unaware, however, that many Russians have a "devil image" of the United States, and that each country tends to nourish the other's worst suspicions. For as much as the two nations have learned from their global competition, each has a bent for miscalculation, and neither has been adept at forecasting the long-term consequences of their actions on the other.

It is totally improbable that the decision made by Soviet officials to follow standing orders to force down, or shoot down, any intruding aircraft

was made with any realistic understanding of the impact the action would have on U.S.-Soviet relations. To the American mind, the decision was political madness. But the odds are that from the Soviet perspective, the decision was almost a reflex action, perhaps even with little thought that the airliner had taken off from the United States and included American passengers.

In either case, to the Soviet mind the violation of Soviet airspace in a region of acute sensitivity hits the rawest nerve endings, especially where the United States is concerned. It evokes bitter memories of helplessness and weakness dating back to American U-2 spy plane flights of the late 1950s, when neither Soviet aircraft nor missiles could fly high enough to reach the intruders, or could prevent penetrations of Soviet borders by other American or Western aircraft.

When the Soviet Union takes actions that impinge on American interests, Americans assume that the Kremlin has made a judgment that gives paramount attention to the American stake. But that is by no means the way the Soviet system works, nor, for that matter, does the American system work that way. Each nation has its fixations on its own direct interests, its own memories and its own priorities.

In this case, Soviet institutional memory was more likely to have been focused on the humiliating penetration of 1,000 miles of Soviet territory by the South Korean airliner that landed on a frozen lake near Minsk in 1978. In Soviet eyes, South Koreans are extremely suspect of provocative actions under the shield of American power, and the entry of another off-course South Korean airliner would have made Soviet military commanders bristle with righteous indignation.

But that indignation is more than matched by the American emotions unleashed by the downing of the civilian jetliner last week. Even if the Soviet Union's accusation that the airliner was on an intelligence-gathering mission were true, the Russians appear not to comprehend that Americans, nevertheless, would look on the killing of 269 people as a wanton act.

The misjudgment is a recurring one. The Soviet Union repeatedly has misconstrued how its actions will rebound on the American scene, especially on matters of propriety, morality and ethics. In doing so, it often undercuts those Americans most committed to negotiations with it.

The greatest misjudgment in recent years, of course, involved the invasion of Afghanistan in 1979. Soviet leaders knew that the invasion was bound to have some repercussions, but that was thought to be a risk worth taking, a risk in which any damage could be repaired. Soviet planners were startled, however, by the crushing damage inflicted on American soft-hens at all levels by the Afghan venture.

It has taken four years to recover only a small fraction of the lost ground in American-Soviet equilibrium through limited negotiating gains recently achieved. In American eyes, that makes it even more incredible that the Soviet Union would now jeopardize newly won advances.

But this is where the United States misreads the Soviet Union. For in the Kremlin's perspective, the U.S.-Soviet accord on grain sales and marginal agreements on other subordinate issues do not add up to a thaw between Washington and Moscow that must be preserved at all costs.

On the contrary, the Soviet Union is at least as suspicious of the Reagan administration as the administration is of the Kremlin.

Two American specialists have underlined this point in a new analysis in Foreign Policy quarterly. The Soviet leadership sees the Reagan administration "as viscerally and profoundly hostile," write Lawrence T. Caldwell of Occidental College, a recent scholar-in-residence at the Central Intelligence Agency, and Robert Legvold, senior Soviet specialist for the Council on Foreign Relations.

The trends in U.S.-Soviet relations, they say, "are far more discouraging and potentially dangerous than is understood by many American commentators."

The administration's military buildup, its commitments to ideological struggle with the Soviet Union and its military assertiveness, the authors say, all convince Soviet officials that Washington now rejects "the Soviet Union's right to exist and... its place in international politics."

The Kremlin sees itself as the innocent, aggrieved party in the negotiations aimed at limiting nuclear missiles of European and intercontinental range. As the authors point out, the Russians are convinced that the administration's negotiating positions is a sham, put forward purely for political purposes.

Unless the Reagan administration "changes its stance more than seems likely," they say, there will be no agreement on intermediate-range or strategic nuclear missiles before the 1984 elections.

But the shooting down of the South Korean airliner has overtaken even these pessimistic assessments. It will become immeasurably harder to bring any negotiation with the Soviet Union to a successful conclusion.

No agreement that the wisest expert could contrive between the two superpowers can surmount total suspicion. But in the climate that exists now, only extremists flourish.

The writer is a diplomatic correspondent for The Washington Post and is working on a book about conflicting Soviet and American perceptions.



The Case for One More Commission

By Hobart Rowen

WASHINGTON — Slowly, but almost inevitably, a new idea is gathering force in Washington: a blue-ribbon, bipartisan commission — patterned after the Social Security, MX, and Central American commissions — to deal with the enormous federal budget deficit.

The commission idea emerges out of the frightening prospect of red ink over the next four or five years, and a recognition that the Reagan administration will not propose, and Congress by itself does not have the political courage, to raise taxes and cut spending sufficiently — at least not until after the 1984 presidential election.

One of the most knowledgeable and influential congressional Republicans, Representative Barber Conable of New York, said candidly that "in one way or another, we are going to have to deal with this issue outside the electoral process."

Mr. Conable fears that current optimism about economic recovery is disguising the real sacrifices the public will eventually be called on to make through tax increases and social program reductions.

"We're a crisis-activated governmental system," he said, "and there's no sense of crisis at this point. Yet the crisis becomes more severe if we don't deal with fiscal imbalance fairly soon." U.S. and foreign financial markets now must operate on the assumption that politicians will not begin to deal with these critical issues before 1985. Until then, record high interest rates that stifle business-

men's incentive to invest will haunt the U.S. and world economies.

The bipartisan commission idea offers some hope that a responsible solution might be put in place as soon as a new or re-elected administration takes office early in 1985. The idea appears to have been floated first by Horace Busby, a business consultant who was an aide to Lyndon Johnson.

Mr. Busby, a shrewd political observer, pointed out that given the fairly even division of power between Republicans and Democrats, "anything that comes through the system, anything that is done in Washington, has to be done on a bipartisan basis."

So long as the Republicans control the White House and the Democrats control the House of Representatives, Mr. Busby said, "there is no longer any place for an obstructionist role on the part of either party."

Alan Greenspan, who chaired the successful Social Security commission, used much the same logic in calling for an intergovernmental meeting to defuse the interest-rate time bomb caused by continuing big deficits.

Mr. Greenspan's summit plan, a variation of a commission proposal, would bring together President Reagan, House Speaker Thomas O'Neill, Senate Majority Leader Howard Baker, and the chairmen of key committees of Congress in a

series of private conferences "for the purpose of agreeing to a single solution to the deficit problem."

Mr. Busby focused on the need to revamp the tax system (he favors taxing consumption rather than income). A Washington lobbyist, Charles E. Walker, extended Mr. Busby's idea, writing 300 congressional and business leaders on Aug. 15 to describe his plan for a congressionally created Commission on Spending and Taxes. It would report back to Congress in January 1985 with tax and spending proposals to deal with the deficit.

In a telephone interview, Mr. Walker conceded that a blue-ribbon commission was not needed to come up with new ideas on how to cut the budget deficit. "There are plenty of ideas around on how to do it," he said. But such a commission, composed of key congressional committee chairmen of both parties, former Treasury secretaries, a couple of distinguished economists and political figures of opposing political faiths, could provide the necessary heat-shield to get unpopular measures through Congress.

Is there danger in yet another commission? Is there a risk of a degeneration into government by commission? Mr. Busby and Mr. Walker say no, arguing that with fractionalized power, some sort of political truce is inevitable and necessary. And there is nothing new in the commission idea. It was a citizens commission, after all, that wrote the U.S. Constitution.

The Washington Post.

On Labor Day, Labor Is Footing the Bill

By Joseph Kraft

WASHINGTON — Lane Kirkland, the head of the AFL-CIO, likes to paraphrase a famous scene in the World War II movie "Casablanca." The protagonists are Rick, an American who runs a raffish cafe in French Morocco, and Louis, a French police inspector who suspects Rick of helping anti-fascists defy the German occupation of France. Here is the Kirkland version:

Louis: "What brought you to Casablanca, Rick?"

Rick: "I came here to take the waters."

Louis: "But there are no waters here in Casablanca."

Rick: "Then I must have been misinformed."

That exchange is brought to mind this Labor Day by the way workers and their unions are being treated around the world. For, in the unwinding of global inflation, labor has emerged as a public enemy. In the communist world, the capitalist world and the Third World as well, huge pressures are being mounted to make labor give back gains achieved in the period of high inflation.

But the process is a testament to misinformation. Poland provides the most horrible example. Throughout the 1970s Polish leaders carried favor with the workers by raising wages and subsidizing such basic items as food and housing. The country spent more money than it took in, and foreign borrowing made up the difference.

When West European bankers turned tight in 1980, Polish Communist leaders moved to raise prices on food. That followed the worker protests that gave life to the independent union Solidarity. A year of indecision in Warsaw finally ended with the military coup of Dec. 13, 1981.

General Wojciech Jaruzelski has both raised prices and put the pressure on Solidarity. The union has been contained, if not crushed. Nobody in the outside world is exactly

happy. But those with big stakes — the Russians, the pope and the European bankers — rather than trust Poland to Solidarity, prefer to leave it to General Jaruzelski.

Mexico and Brazil bring evidence from the Third World. In both cases, huge foreign borrowings were used to finance rapid economic growth. Unionized workers were the chief beneficiaries. Their wages rose, and they also profited from subsidies that kept such basics as food, housing and health care below cost.

Last summer, the string ran out on foreign borrowing. In the reckoning, both Brazil and Mexico have cut back — at the expense of the workers. In Mexico, wage increases are being held to less than half of the inflation rate for this year. In Brazil, the government is proposing, and the unions are resisting, a project that would limit wage increases to 80 percent of inflation. If the Brazilian generals cannot sell the program, then the whole package of measures taken to rescue the international financial system will come apart.

Lastly, there is the case of the United States. To an extraordinary extent, labor has paid the price of the wringing-out process that preceded the current recovery. Unemployment hit new highs, particularly in such heavily unionized industries as autos, steel and chemicals. Wages lagged well behind inflation, and in many cases, there were actual givebacks by workers to management.

As the economy gains strength, labor is digging in against further concessions in wages, fringe benefits, work rules and job security. Big strikes have already hit the telephone company, Continental Airlines, Phelps Dodge and Consolidated Edison in New York. A larger test will come later on in the auto industry. But one lesson is already clear.

Extraordinarily high costs are being paid to discipline workers. In the communist world, basic human rights, and maybe even international security, have been put at risk. In the Third World, the whole international financial structure has been put at hazard. The United States and Europe have been able to check labor only by high unemployment, with an attendant souring of the political and social climate.

No doubt it is of critical importance to keep wage bargains in coherent relation with economic growth and inflation. But anybody who thinks the world has found how to reach that goal has to be considered, in Rick's phrase, misinformed.

Los Angeles Times Syndicate

LETTERS TO THE EDITOR

'Safe' Drugs

Regarding "U.S. Agency Warns on Morning-Sickness Drug" (HT, Aug. 23) by Martin Mintz:

Your report on the drug Bendectin illustrates once again the futility of testing human medicines on animals. Bendectin is but the latest in a constant stream of drugs, declared "safe" by animal-testing methods, which later proved to have quite different, and sometimes catastrophic, effects when applied to human beings.

DENNIS B. STUART, Frankfurt.

Himalayan Erosion

Regarding "Erosion Is Eating Away at Nepal's Fabled Hills" (HT, Aug. 3) by William Claiborne:

A similar warning was raised in a recent issue of the review of the Club Alpin Français. I have never been to Nepal, and yet I find the thought that these forests are daily deteriorating difficult to bear. The foothills of the Himalayas are a part not only of the

LETTERS TO THE EDITOR

Nepalese heritage but of the heritage of all humanity. The Nepalese, who bear the burden of protecting these sites, should be helped by the rest of the world. I am convinced that climbers and naturalists around the world, as well as governments, would contribute to a program to this end. The temple of Abu Simbel was rescued from the waters behind the Aswan Dam by a concerted world-wide effort. The foothills of the Himalayas are no less important.

LOUIS BODMER, Zollikon, Switzerland.

More letters, Page 5.

Letters intended for publication should be addressed to the editor and contain the writer's signature, name and address. Brief letters receive priority; and letters may be abridged. We cannot acknowledge all letters, but we value the views of the readers who submit them.

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EUROBONDS

By BOB HAGERTY

Banks Scrounging for Ways to Make Interest-Rate Swaps More Attractive

LONDON — The magic of interest-rate swaps is wearing thin, and banks that like to arrange such financings are scrounging for new ways to make them work.

When rate swaps blossomed into popularity last year, they seemed like a confidence game without victims. One party, usually a bank, issues fixed-rate bonds. A counterparty, whose credit rating is too low to tap the Eurobond market, issues a floating-rate loan. The first party then swaps its fixed-rate proceeds for the counterparty's floating-rate funds. After hedging, one party shares the combined interest-rate burden, both parties ending up with the kind of funds desired at a lower rate than otherwise available.

"It's the simplest and most useful financial tool that's come along in a century, I think," said a swap specialist at a New York investment bank.

So why does the Eurobond market cringe at every announcement of another rate swap by a Japanese bank? Because, bankers say, such swaps have been so frequent this year that they have all but exhausted the market's appetite for bank paper.

Last week's \$85-million issue from Long-Term Credit Bank of Japan was a good example. The seven-year bonds came to market with a coupon of 12 1/4 percent, described all around as generous. By Friday, the bonds were trading at about 98, yielding the yield up to 12.95 percent and suggesting that some of the managers had more than passed on their commissions and were dumping the paper at a loss.

Despite the sluggish demand for such issues, bankers say, the Japanese Finance Ministry continues to encourage Japanese banks to use swaps to refinance their debt. The Japanese have done so to the hilt and may have to pause.

For one thing, portfolios are bursting with bonds issued by banks at a time when many investors are worried that the Third World debt mountain might crush some of the weaker institutions. For another, swaps are becoming more difficult to arrange. Counterparties wanting to swap into fixed-rate debt are becoming harder to find. Most want to wait for lower interest rates.

Meanwhile, because bank-paper has glutted the market, banks can no longer command the bargain-basement rates of last year. One American banker said that 18 months ago a bank with an average credit rating could borrow money at 40 to 50 basis points (or hundredths of a percentage point) below the London interbank offered rate by using a swap. Now the average bank would pay a rate about equal to Libor, and some are paying as much as 25 basis points above.

At that price, the bank might find it more attractive to use the traditional route of issuing floating-rate notes.

So swaps may be scarce in the months ahead. But banks that have made swaps a specialty — such as Salomon Brothers, Morgan Stanley and Credit Suisse First Boston — say the idea remains valid.

"They're certainly not going to go away," said P. Joan Beck, head of the new issues department at Morgan Stanley International.

Bankers do disagree on how much potential there is for extending the trick. Karl Miesel, new issues chief at Deutsche Bank, said the glut of

(Continued on Page 9, Col. 5)

Laker Polishing Plans — and Waiting

By Agis Salpukas

New York Times Service

NEW YORK — Right now it is only a paper airline. It is called Laker II and it exists only in the mind of Sir Freddie Laker — and in his Apple computer.

"It is updated frequently," he said during a recent visit to New York, "with new fuel prices, new developments in airplanes and fares and things like that."

For Sir Freddie has dreams of starting another airline to replace the one that went under in February 1982 — Laker Airways, which pioneered low fares across the Atlantic to the consternation of established carriers.

While he waits for the dreams to become reality, he is operating two companies — a charter flight business between New York and London and a package-holiday tour business between Britain and the Mediterranean — that he hopes will eventually make Laker II possible.

When those businesses build up a big enough customer core to fill four airplanes a week, he said, he plans to try to reapply for route licenses, buy or lease a couple of planes and get "back in the airline business. We can't get away from the fact that we are airline people."

As for the financing necessary to start a new airline, Sir Freddie says: "I have had many, many offers to buy and lease airplanes. I go

so far as to say that I get two to three offers a week."

But making a go of a new airline is not likely to be easy. Sir Freddie would be re-entering a highly competitive market that is still plagued by overcapacity, despite this year's dramatic recovery in travel from the United States to Europe as a result of the dollar's strength.

"It would be very difficult to break into this market," Eliot Fried Jr., airline analyst for Shearson/American Express Inc., said. "It's unlikely that he would have a price advantage even with his own aircraft, because other carriers would match his prices as they did before his recent demise."

It was the matching of Laker's low fares by such major carriers as Pan American and Trans World in the autumn of 1981, after Sir Freddie tried to attract business customers, that contributed to his airline's eventual downfall.

Laker's failure has left a mass of debts and complex litigation. The liquidators, Touche Ross of London, filed an antitrust suit in the United States charging that McDonnell-Douglas Corp. and a group of airlines conspired to fix prices and took other anti-competitive actions to drive Laker out of business.

But Sir Freddie has taken pains to remain above the fray. In an interview in New York, where he

(Continued on Page 11, Col. 5)



Sir Freddie arrives for 1982 talks with U.K. officials.

Brazil Creditors Are Worried by Langoni's Move

By Kenneth N. Gilpin

New York Times Service

NEW YORK — Brazil's commercial bank creditors reacted with surprise and concern to the announcement that the country's central bank president, Carlos Geraldo Langoni, had resigned.

However, the chairman of a bank advisory group that is overseeing the restructuring of some Brazilian debt said Friday that he did not expect a slowdown or interruption in the talks with Brazil.

The International Monetary Fund is detailing economic conditions for Brazil under a reconstructed loan package. Mr. Langoni, who was Brazil's third-ranking economic official, characterized these conditions as "unrealistic" and resigned Thursday.

An IMF spokesman in Washington would not comment on Mr. Langoni's resignation or on the IMF proposal have not been made public.

One banker said, "This surprised everybody," and added: "At

Thursday's meeting, no one gave any indication that they knew he was about to jump. This doesn't seem to bode well for Brazil."

The banker was referring to the most recent meeting of the bank advisory group, held in New York. Bankers said a presentation to American regional banks was scheduled Sept. 12, followed by another advisory group meeting the next day.

"Critics of the fund program in Brazil have been saying that the fund conditions are too harsh," the banker said. "Now they can point to someone in the government who agrees with them."

In a statement, William R. Rhodes, chairman of the bank advisory committee for Brazil, took a more optimistic view.

Mr. Rhodes welcomed the appointment of Alfonso Celso Pastore as the new president of the central bank. "Mr. Pastore is well known to the international banking community as a highly respected public finance professional. We expect to work cordially and efficiently with him in his new capacity, as we did with Mr. Langoni."

But other bankers viewed Mr. Langoni's resignation — and the reasons for it — with a sense of foreboding.

"A lot of people are talking about a moratorium down there," one banker said. "This makes me more nervous than I was before."

In his statement, Mr. Rhodes said that he had been informed by officials in the Brazilian government and the IMF that an agreement on the revised program would be announced soon. Banking sources, who had expected the announcement this week, said it could come in the next 10 days.

In São Paulo, some bankers seemed to shrug off the resignation. "It would be a different matter if it had been Delfim who had resigned," a senior American banker said, referring to Antonio Delfim Netto, the planning minister.

■ **Brazil Devalues Cruzeiro**

Brazil devalued its currency, the cruzeiro, 2.1 percent Friday against the U.S. dollar, United Press International reported from Brasília. As of Monday the cruzeiro trades at 682 to the dollar buying and 685 selling. Brazil's central bank said.

On the black market the cruzeiro was trading at about 80 percent over the official rate, dealers said. In New York, dealers said that the devaluation had been expected but that markets had looked for a larger one.

■ **Market Closings**

All banks and financial markets in the United States and Canada will be closed Monday for holidays.

U.S. Bond Market Rallies on Money-Supply Drop

New York Times Service

NEW YORK — News of the unexpected decline in the U.S. money supply caused a rally in the credit markets Friday. Within less than a minute after the Federal Reserve System reported that the M-1 aggregate had plunged \$1.4 billion in the financial week that ended Aug. 24, the price of the bellwether 30-year government bond had risen half a point.

By the close of trading, the offered price had climbed 1 1/4 points, to 101 20/32, from 100 10/32 before the money supply figures were announced. The yield dropped to 11.79 percent from 11.96 percent.

Yields on shorter-term govern-

ment securities also fell sharply. The yield on the three-month Treasury bill dropped 12 basis points, a basis point is a hundredth of a percentage point — to 9.16 percent.

U.S. CREDIT MARKETS

and the yield on the six-month bill fell 16 points, to 9.38 percent.

Although Friday's thin pre-holiday trading may have exaggerated the market response, Richard C. Green, president of Money Market Services of California, said that "things look pretty good." Because of the drop in the money supply, "you'd be hard-pressed to find any

rationale for the Fed to tighten credit at this point," he added.

A survey by Mr. Green's company had indicated that most traders and analysts expected an increase of \$500 million in the money supply. Excessively rapid monetary growth is a sign that the Federal Reserve will take steps to tighten credit and thereby drive up interest rates.

The \$1.4 billion decline in M-1 — the measure that includes currency in circulation and checking and similar deposits in banks and savings institutions — brought the aggregate well below the Fed's targets. The decline reduced the average to \$515.3 billion, from a down-

U.S. Consumer Rates

For Week Ended Sept. 2

Passbook Savings	5.50 %
6-Month Savings Certificates	9.78 %
Tax-Exempt Bonds	10.70 %
Bank Buyer 28-Bond Index	10.70 %
Money Market Funds	
Dreyfus's 2-Day Average	8.70 %
Bank Money Market Accounts	
Bank Rate Monitor Index	8.67 %
Home Mortgage	
FHLB average	12.24 %

ward-revised \$516.7 billion the previous week.

At \$515.3 billion, the M-1 was \$1.9 billion below the Fed's interim target growth rate of 7 percent for the third quarter, and \$2.1 billion below the 9-percent upper limit of the annual target range.

Market participants had been worried because many expect a surge in the money supply during September. Most predict that M-1 will rise \$1 billion to \$2 billion next week, and \$4 billion to \$6 billion the following week.

The M-1 would then be above its targets; it can grow by about \$600 million a week to stay within the 7-percent target and by about \$800 million to stay within the 9-percent target. But because of the size of the latest decline, the market did not view the potential problem as seriously as it had earlier.

"The two months I was there we fell farther behind," he said. "While I was waiting for my future we were losing everything else."

Recovery Beginning to Be Felt in U.S. Heartland

By Winston Williams

New York Times Service

CHICAGO — The U.S. economy's dramatic recovery has been well-documented in the figures that have been pouring out of Washington since the beginning of the year. But the surge described by the statistics, which began in November, is just becoming apparent to many in the Middle West, the nation's economic heartland.

From the mountains of western Pennsylvania to the prairies of the Great Plains, communities are

shaking off the legacy of three years of recession, or trying to. Some of the damage appears to be permanent.

"Everything is not rosy by any means, but we're having a strong economic recovery in the region," says Nina Klaczka, an economist with the First National Bank of Chicago. "The numbers are finally starting to show up."

Nevertheless, the region's joy over the recovery is tempered by continuing high unemployment and by anxiety over the next phase of the recovery. That's when two of

the region's key sectors, capital investment and agriculture, should take off if the recovery holds, economists say.

The epitaph of Youngstown, Ohio, has been written many times. After a swirl of steel plant closings hit the Mahoning Valley in the late 1970s like a tornado, even some local boosters thought the area was on its way to becoming a Western ghost town.

Those who would have buried the town would marvel at its resilience now. New home sales began to pick up in the first quarter and by midyear they had registered an improvement of 45 percent over the corresponding 1982 period. "We've just had a terrific July and August," said Stanley Malkoff, co-owner of Homes by Stanjimm.

The nationwide recovery in automobile sales has been the savior of the Mahoning Valley. General Motors' Lordstown assembly plant, the showcase of the industry when it was built in the late 1960s, is turning out Pontiac Firebirds and Chevrolet Cavaliers full tilt. More than 8,700 employees are at work, 3,400 of them recalled since March.

Higher employment is the stuff that the Youngstown housing recovery is made of. "We're seeing a lot of younger professional people, electrical engineers, who have been on the job for five or six years," Mr. Malkoff said. "They feel a lot more secure now that they see people coming back to work."

Low-interest loans, provided by the state, are also enticing buyers into the market.

The recession was tough on Buchanan, Michigan, and the recovery is not likely to begin to improve things until the beginning of next year. That is when four small companies with a total of 200 jobs, lured by tax abatements and other inducements, are scheduled to move into the town's abandoned factories. Meanwhile, the unemployment rate is about 18 percent.

Eight decades ago Buchanan became a corporate headquarters town and a center for manufacturing jobs when the city fathers offered free rent and cheap power to lure from Chicago the small company that later became Clark Equipment Co.

It is a town of 5,136 that once harbored 3,000 jobs at its Clark plants. The last 600 were lost over

the past year after Clark, a maker of forklifts, axles and construction equipment, decided to close its three turn-of-the-century plants in Michigan.

The adjustment has been rough on the residents of Buchanan. Clark was a good place to work. They paid you good. The people were nice," said Sam Tutson, 55, who migrated from Mississippi 40 years ago to work at Clark. When his job ended in June he decided to retire on a pension of about \$11,000 a year — half his pay.

His wife, Jean, worked at Clark for almost 10 years, the last few as a production supervisor. She was let go in March 1982, a few months before she became eligible for early retirement. Now she is an inspector at a maker of mobile homes.

She is dissatisfied with the working conditions and the pay of \$5.75 an hour. Complaints that only low-paying jobs are available are common throughout the region. It is the big gripe about the companies taking over the Clark factories.

The structural change in the Middle West, which is sending many of the region's plants to Mexico and the Sunbelt, has convinced workers and public officials that now is the time to plan for the era of advanced technology.

Several companies in the region — such as Cincinnati Milacron, Westinghouse and Nordson — are getting deeply involved in robotics and computer equipment, expecting the transformation to high-tech factories to accelerate if the recovery proves durable. But high-tech means problems for much of the region's labor force.

Take the case of Ronald Bricker, 40. He was a steelworker, unemployed at the time, who sat quietly last April in a Pittsburgh computer classroom while President Ronald Reagan delivered a homily about retraining for tomorrow's jobs. After the lecture, he stepped toward the president and asked for help in finding work.

"I did it to dramatize the situation of people like me," Mr. Bricker said. "I never thought it would get so bad. I really got scared when I was standing in the unemployment line and there were people there in their 50s."

The White House found Mr. Bricker an entry-level job as a computer repairman for Radio Shack.

Courtois Surrenders to Face U.S. Insider-Trading Charges

By Robert J. Cole

New York Times Service

NEW YORK — After two and a half years as a fugitive, Edmond Jacques Courtois Jr., a former executive of the Wall Street firm Morgan Stanley & Co., has been arraigned in U.S. District Court in Manhattan after he surrendered to face charges that he participated in a fraudulent scheme to buy stock using inside information about pending takeovers.

Judge Mary Johnson Lowe set bail Friday for the one-time investment banker at \$1 million. No date was set for his trial.

David W. Denton, an assistant U.S. attorney in charge of the case, said Mr. Courtois, 35, was released on a personal recognizance bond signed by three members of the Courtois family and secured by \$100,000 cash and a Florida apartment valued at \$500,000.

Mr. Denton said Mr. Courtois, who was reported last year to be living in Bogota, was found in Montreal by Canadian officials and surrendered after an agreement was worked out between his

Manhattan attorney and U.S. and Canadian officials.

Mr. Courtois's father, a well-known Montreal lawyer, was on the boards of more than a dozen leading Canadian companies. Mr. Courtois was graduated from Lower Canada College, an elite prep school in Montreal, and from Oxford University and the Harvard Business School before joining Morgan Stanley in 1972.

Within five years, in recognition of his rapid progress in the firm, Mr. Courtois had become a vice president. He left Morgan Stanley in 1979 to supervise his own investments. In February 1981 he was indicted by a federal grand jury on insider trading charges.

The 27-count indictment charged Mr. Courtois and an associate, Andrian Antoniu, with disclosing inside information about takeovers they were working on to three other persons who used secret bank accounts outside the country to buy stock in a number of companies from 1973 through 1978. The indictment charged that the five men shared hundreds of thousands of dollars in profits.

CURRENCY RATES

Interbank exchange rates for Sept. 2, including bank service charges

	U.S.	D.M.	F.F.	Y.P.	Y.L.	G.M.	S.F.	S.P.	D.K.
Australia	1.3175	1.3175	1.3175	1.3175	1.3175	1.3175	1.3175	1.3175	1.3175
Belgium (fr.)	36.48	36.48	36.48	36.48	36.48	36.48	36.48	36.48	36.48
Canada (Cdn.)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Denmark (Dkr.)	161.170	161.170	161.170	161.170	161.170	161.170	161.170	161.170	161.170
France (fr.)	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany (Mk.)	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Italy (Lira)	2036.27	2036.27	2036.27	2036.27	2036.27	2036.27	2036.27	2036.27	2036.27
Japan (Yen)	161.170	161.170	161.170	161.170	161.170	161.170	161.170	161.170	161.170
Netherlands (Gld.)	36.48	36.48	36.48	36.48	36.48	36.48	36.48	36.48	36.48
Portugal (Escudo)	200.484	200.484	200.484	200.484	200.484	200.484	200.484	200.484	200.484
Spain (Pta.)	166.639	166.639	166.639	166.639	166.639	166.639	166.639	166.639	166.639
Sweden (Krona)	4.66	4.66	4.66	4.66	4.66	4.66	4.66	4.66	4.66
Switzerland (Fr.)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
United Kingdom (Sterling)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
West Germany (Mk.)	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36

Source: Reuters. (1) Swiss franc; (2) Dutch guilder; (3) Italian lira; (4) Japanese yen; (5) Spanish peseta; (6) Portuguese escudo; (7) Greek drachma; (8) French franc; (9) Belgian franc; (10) Luxembourg franc; (11) Austrian schilling; (12) Danish krone; (13) Norwegian krone; (14) Swedish krona; (15) Icelandic krona; (16) Finnish markka; (17) Czech koruna; (18) Hungarian forint; (19) Polish zloty; (20) Czechoslovakian koruna; (21) Czechoslovakian forint; (22) Czechoslovakian koruna; (23) Czechoslovakian forint; (24) Czechoslovakian koruna; (25) Czechoslovakian forint; (26) Czechoslovakian koruna; (27) Czechoslovakian forint; (28) Czechoslovakian koruna; (29) Czechoslovakian forint; (30) Czechoslovakian koruna; (31) Czechoslovakian forint; (32) Czechoslovakian koruna; (33) Czechoslovakian forint; (34) Czechoslovakian koruna; (35) Czechoslovakian forint; (36) Czechoslovakian koruna; (37) Czechoslovakian forint; (38) Czechoslovakian koruna; (39) Czechoslovakian forint; (40) Czechoslovakian koruna; (41) Czechoslovakian forint; (42) Czechoslovakian koruna; (43) Czechoslovakian forint; (44) Czechoslovakian koruna; (45) Czechoslovakian forint; (46) Czechoslovakian koruna; (47) Czechoslovakian forint; (48) Czechoslovakian koruna; (49) Czechoslovakian forint; (50) Czechoslovakian koruna; (51) Czechoslovakian forint; (52) Czechoslovakian koruna; (53) Czechoslovakian forint; (54) Czechoslovakian koruna; (55) Czechoslovakian forint; (56) Czechoslovakian koruna; (57) Czechoslovakian forint; (58) Czechoslovakian koruna; (59) Czechoslovakian forint; (60) Czechoslovakian koruna; (61) Czechoslovakian forint; (62) Czechoslovakian koruna; (63) Czechoslovakian forint; (64) Czechoslovakian koruna; (65) Czechoslovakian forint; (66) Czechoslovakian koruna; (67) Czechoslovakian forint; (68) Czechoslovakian koruna; (69) Czechoslovakian forint; (70) Czechoslovakian koruna; (71) Czechoslovakian forint; (72) Czechoslovakian koruna; (73) Czechoslovakian forint; (74) Czechoslovakian koruna; (75) Czechoslovakian forint; (76) Czechoslovakian koruna; (77) Czechoslovakian forint; (78) Czechoslovakian koruna; (79) Czechoslovakian forint; (80) Czechoslovakian koruna; (81) Czechoslovakian forint; (82) Czechoslovakian koruna; (83) Czechoslovakian forint; (84) Czechoslovakian koruna; (85) Czechoslovakian forint; (86) Czechoslovakian koruna; (87) Czechoslovakian forint; (88) Czechoslovakian koruna; (89) Czechoslovakian forint; (90) Czechoslovakian koruna; (91) Czechoslovakian forint; (92) Czechoslovakian koruna; (93) Czechoslovakian forint; (94) Czechoslovakian koruna; (95) Czechoslovakian forint; (96) Czechoslovakian koruna; (97) Czechoslovakian forint; (98) Czechoslovakian koruna; (99) Czechoslovakian forint; (100) Czechoslovakian koruna; (101) Czechoslovakian forint; (102) Czechoslovakian koruna; (103) Czechoslovakian forint; (104) Czechoslovakian koruna; (105) Czechoslovakian forint; (106) Czechoslovakian koruna; (107) Czechoslovakian forint; (108) Czechoslovakian koruna; (109) Czechoslovakian forint; (110) Czechoslovakian koruna; (111) Czechoslovakian forint; (112) Czechoslovakian koruna; (113) Czechoslovakian forint; (114) Czechoslovakian koruna; (115) Czechoslovakian forint; (116) Czechoslovakian koruna; (117) Czechoslovakian forint; (118) Czechoslovakian koruna; (119) Czechoslovakian forint; (120) Czechoslovakian koruna; (121) Czechoslovakian forint; (122) Czechoslovakian koruna; (123) Czechoslovakian forint; (124) Czechoslovakian koruna; (125) Czechoslovakian forint; (126) Czechoslovakian koruna; (127) Czechoslovakian forint; (128) Czechoslovakian koruna; (129) Czechoslovakian forint; (130) Czechoslovakian koruna; (131) Czechoslovakian forint; (132) Czechoslovakian koruna; (133) Czechoslovakian forint; (134) Czechoslovakian koruna; (135) Czechoslovakian forint; (136) Czechoslovakian koruna; (137) Czechoslovakian forint; (138) Czechoslovakian koruna; (139) Czechoslovakian forint; (140) Czechoslovakian koruna; (141) Czechoslovakian forint; (142) Czechoslovakian koruna; (143) Czechoslovakian forint; (144) Czechoslovakian koruna; (145) Czechoslovakian forint; (146) Czechoslovakian koruna; (147) Czechoslovakian forint; (148) Czechoslovakian koruna; (149) Czechoslovakian forint; (150) Czechoslovakian koruna; (151) Czechoslovakian forint; (152) Czechoslovakian koruna; (153) Czechoslovakian forint; (154) Czechoslovakian koruna; (155) Czechoslovakian forint; (156) Czechoslovakian koruna; (157) Czechoslovakian forint; (158) Czechoslovakian koruna; (159) Czechoslovakian forint; (160) Czechoslovakian koruna; (161) Czechoslovakian forint; (162) Czechoslovakian koruna; (163) Czechoslovakian forint; (164) Czechoslovakian koruna; (165) Czechoslovakian forint; (166) Czechoslovakian koruna; (167) Czechoslovakian forint; (168) Czechoslovakian koruna; (169) Czechoslovakian forint; (170) Czechoslovakian koruna; (1

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(Continued on Page 11)

Bringing Architecture Back to Its Roots

Aga Khan Awards Emphasize Local Resources and Initiatives

By Geoffrey Weston
International Herald Tribune

LONDON — When the Aga Khan presented the first of his triennial architecture awards in 1980, he said, "I have been increasingly concerned with the physical form that the Islamic world will take in the future: the houses we live in, our places of work, the institutions that serve us, the gardens and parks where we rest, the markets and, of course, the mosques. How will they look? How will they affect our perceptions of the world and of ourselves? And, above all, will the Islamic environment of tomorrow be identifiably ours?"

The second Aga Khan award for architecture, valued at \$500,000, was distributed among 11 winners in the Topkapı Palace in Istanbul Sunday. As in 1980, the 1983 award winners are about relating architecture to its local roots, with emphasis on using local resources and initiatives creatively. They range from a huge mud mosque in Mali to the modern technology in the Hajj pilgrimage terminal at Jeddah airport in Saudi Arabia.

The Great Mosque of Niou in Mali was enlarged by a master mason, Lamine Minty, a master mason who did the work for only \$365 with materials and labor supplied by the community. The massive structure is mud brick, and there are four dominant towers. The jury praised the efforts to continue a powerful vernacular tradition.

In contrast is the White Mosque in Visoko, Yugoslavia, squeezed into a market place in a densely built community, of which it is the religious and intellectual hub. The materials are limited — concrete (plastered and painted white), natural wood and painted iron tubes, with travertine tiles for paths and courtyards, but all from local sources, and most of the cost was raised from local contributions. The interior, though avant-garde, reflects the traditional atmosphere of a mosque.

The Hafsa quarter in the Medina of Tunis presented an early problem of inner city decay that began in the 1920s. Parts were demolished before local and UNESCO experts took it in hand. Their efforts are criticized for fail-

ing to meet lower-income needs, but the public spaces are sensitively organized, new buildings have been inserted discreetly, and because the project provides a valuable lesson for other old urban areas in the Moslem world.

The question of the viability of traditional building methods and craftsmanship in a rapidly mechanizing world was repeatedly raised as the jury sifted through more than 200 contenders. The Ramses Wissa Wassef Arts Center in Giza, Egypt, offered an answer. It was named for a man who started with the simple aim of preserving vanishing crafts, but when he built his weaving school he decided to employ Nubian master masons and construct a mud building of vaults and domes inspired by traditional Nubian methods.

The school was a success. The students learned building as well as weaving. Schools of pottery, carpet weaving and stained glass were added and then came houses and a museum. The project grew naturally out of its environment, supported the local village and brought it fame, as well as architectural quality.

The original idea of recognizing excellence in design was reinterpreted by the jury for the first award, and a similar line has continued. The right balance among jury members was crucial — one sociologist and eight architects (six from Islamic countries), aided by technical assessors, who included local people. Their choice reflected the battle between the monument and social progress. Social benefit scored heavily. Only one personal whim appears among the winners — an elegant country house designed for his own use by the Turkish poet and architect Nail Kalkan. It drew special praise for its use of space in a traditional Turkish way but in a form that goes well beyond simple reproduction and harmonizes exceptionally well with its natural surroundings on the southwestern coast of Anatolia.

Two tourist developments are also commended. A complex comprising apartments, a restaurant and other services at the huge new resort of Port of Kanton in Tunisia, successfully blends established North African elements like courtyards, interior gardens, pools and local tiles, with modern building methods. It is restrained, avoids pastiche and has been very popular with visitors.

The Tanjung Jara beach hotel and a nearby visitors' center comprise an environmental and conservation experiment that has had considerable impact on tourism in Malaysia. The hotel, modeled on *istana* — the old hardwood palaces built for former sultans — and the visitors' center, have revived old skills and built up employment opportunities. The center is on stilts over a river to let tourists watch giant turtles lay their eggs in the sand without causing ecological disturbance.

Partly perhaps because the standard of competition has been lower than expected and partly to stress cultural continuity, three of the winners are conservation projects. The restoration of the Darb Qirmiz quarter in Cairo has brought life back to a 10th-century residential area, dotted with important Islamic monuments.



Award-winning hotel and visitor's center in Malaysia.

while the work on the Azem palace (now a museum) in Damascus and the tomb of Shah Rukn-i-'Alam in Pakistan are reminders of what quality of workmanship is all about.

At a time when Islamic culture is only just recovering its identity, the jury has avoided as far as possible sophisticated projects by established Western architects. One wholly American design is included partly because it relates closely to the essence of Islamic faith. The Hajj terminal at Jeddah airport, designed by Skidmore, Owings and Merrill and partners, can accommodate up to 80,000 pilgrims bound for Mecca. Its tentlike structure pushed modern technology beyond established frontiers.

The competition's documentation on losses as well as winners, together with the twice-yearly seminars organized by the award secretariat, comprise a valuable source of research material. More important, it demonstrates that quality is not just an ideal but a practical aim, and by poking its nose into the smallest places, it encourages people at a local level by recognizing that they exist and matter on a scale that they might never have dreamed of before.



Mosque in Yugoslavia built in town center.



The Great Mosque of Niou in Mali was enlarged by a master mason.

BRAZIL POSTCARD

Concerts on the Steps

By Bruce Handler
The Associated Press

RIO DE JANEIRO — Brazilian cultural officials have an unusual program to take classical music out of the concert hall and put it on the street for Brazil's poor and often illiterate masses.

A concert series, called "Sunday on the Steps," has attracted enthusiastic crowds to Rio's Municipal Theater, an ornate hall usually frequented by the affluent. The difference is that these free performances are not inside the building but outside at the front entrance.

"Regrettably, until now serious music in Brazil has been seen as something only for the elite," says Hugo Carvana, vice president of the Rio de Janeiro State Arts Foundation and an originator of "Sunday on the Steps."

"We decided to take the music out of the concert hall, so people who never were exposed to it could try it out, without feeling shy about going to the Municipal Theater or worrying about the cost of a ticket," Carvana, a popular actor and film producer, said.

A good seat for a regular Brazilian Symphony Orchestra concert at the Municipal Theater costs the equivalent of \$12 — four days' pay for the average worker. Carvana said that with the public concerts, "We have planted a seed, and people's reaction has been very positive."

A recent Sunday concert featured excerpts from the Puccini opera "Madame Butterfly." Some 4,000 people — twice as many as the theater holds inside — turned out on a sunny morning, filling downtown Cinelandia Square at the base of the hall's steps.

Sitting on beach chairs and occasionally munching on homemade sandwiches, they listened attentively and then applauded and cheered after each aria and orchestral selection. Paulo Goulart, a TV soap opera star, narrated the story of Pinkerton, the American naval officer who falls in love with Butterfly, the young Japanese woman.

"This was a totally new experience for me," the conductor, Antonio Tauriello of Argentina, said later. "I admit I was wary at first. But this proved that audiences of any cultural background can appreciate good music."

Some in the audience were long-time music lovers. But there were

many obvious newcomers, including a man in a T-shirt who said to his young son, "The music is very beautiful, but if they sang in Brazilian, we'd understand it better," a reference to the fact the opera was in Italian and not Portuguese.

"Some of the performers were afraid the untrained audience would wreck the presentation by talking in the middle or clapping at the wrong time," Carvana said. "But that did not happen."

"And to really prove they appreciated the music, after the concert was over, when the tent went to a nearby sidewalk cafe to drink a beer and relax, people who were still in the square went over to him and broke out in applause."

Carvana said that "Sunday on the Steps" is relatively inexpensive to produce, costing about \$1,600 a performance for sound crews and guest artists. Orchestra and chorus members on regular salaries from the Rio de Janeiro state government are expected to perform at the outdoor concerts as part of their jobs, he said.

"Because this idea is very new, there's no actual budget for the program, and we have to scrounge for funds from various state government sources," he added. "But we think we'll be able to keep the weekly concerts going through the end of this year."

Sausage Runner Aided by Customs

United Press International

LONDON — An Italian grandmother bound for New York was treated as a terrorist suspect at Heathrow Airport because of her family's fondness for home cooking, officials said Sunday.

Airport security staff suspected the portly lady of smuggling dynamite under her clothing. They found Italian sausages.

"The old lady was visiting relatives in America and they asked her to take out some real Italian sausages," an airport official said. "She knew that American customs would ban her taking them around her waist." The airline waved her on, sausage and all. The incident occurred Friday, but officials kept it secret until after the passenger cleared U.S. customs Sunday.

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